Employment in SSIs

2352. SHRI RAMA MUNI SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether it is a fact that Small Scale Industries export around 35 per cent of the exports of the country;

(b) if so, the estimated employment generated by this sector; and

(c) the steps proposed to be taken to promote small scale sector?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) Yes, Sir.

(b) It is estimated that the Small Scale Sector provided employment to 19.22 million persons in the year 2001-2002.

(c) The comprehensive policy package to strengthen the small scale sector and enhance its competitiveness announced by the Government on 30th August, 2000 *inter-alia* includes easier access to credit, availability of collateral free composite loan upto Rs. 25.00 lakh, capital subsidy for technological upgradation and improved infrastructure.

Restarting closed SSIs in UP and Delhi

†2353. PROF. M.M. AGARWAL: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether Small Scale Industries in the country particularly in Uttar Pradesh and Delhi are lying closed;

(b) if so, the reasons therefor;

(c) whether Government propose to restart the said Small Scale Industries which are lying closed; and

(d) if so, the details thereof?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) Yes, some small scale industries are lying closed in the country, including some in Delhi and UP. Information on closed units is not maintained centrally.

(b) The main reasons for closure/sickness are inadequacy of credit, technological obsolescene, marketing problems, managerial inadequacies etc.

(c) and (d) The Government is fully seized of the incidence of industrial sickness among SSI units and has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick units, which *inter-alia* include institutional mechanism in the form of State-level Inter-Institutional Committees (SLITCs), Special Rehabilitation Cells in banks and State Financial Institutions and elaborate guidelines issued by the RBI for extending rehabilitation assistance to eligible units.

Based on the recommendations of the Working Group constituted under the Chairmanship of Shri S.S. Kohli, the RBI has drawn up revised guidelines for rehabilitation of sick SSI units, which include *inter-alia* change in the definiation of sick SSI units, norms for deciding on their viability, etc., The RBI has circulated the revised guidelines on 16th January, 2002 to all the Banks for implementation.

Suggestion of MCCI in respect of SSIs

2354. SHRI P.K. MAHESHWARI: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether her Ministry has received a memorandum from Mahakoshal Chamber of Commerce and Industry which has suggested that sick Small Scale Industries be provided rehabilitation rather than taking legal action to recover NPAs;

(b) if so, her Ministry's response thereto;

(c) whether the chamber has demanded five year exemption from Excise and customs studies for Small Scale Industries; and

(d) whether her Ministry is taking any steps to take it up with CBEC?